

30 June 1961

MEMORANDUM FOR: Executive Secretary, EIC

SUBJECT: Annual Report for Fiscal Year 1961

A. Activities of the Subcommittee on Chemicals During FY 1961

The EIC Subcommittee on Chemicals held one meeting during fiscal year 1961. This meeting was concerned with: 1) Review of the planned intelligence research and production programs of the member agencies for FY 1961; 2) Review of the status and plans regarding the exchange proposals in which the Subcommittee was interested; and 3) A round-table discussion of items of current intelligence significance.

In the review of the various research programs no significant duplication of effort was noted and there were no suggestions for addition or deletion of research projects.

1. Review of the Intelligence Product

As in past years the Subcommittee did not undertake a comprehensive review and evaluation of the state of intelligence on the chemical and related industries of all foreign countries. Such activity was confined mainly to the USSR and was reflected in the Subcommittee statement on "Priority Collection Deficiencies" published in September 1960 and in the Subcommittee efforts with respect to the East-West exchange program.

2. Research and Collection Deficiencies

a. Research Deficiencies

The existing statement of Priority Deficiencies of Research (EIC-S-1/2) is now three years old. This statement centered mainly on the chemicals used in the Soviet nuclear and missile programs and has been made obsolete by the research completed in the past several years. Consideration will be given in FY 1962 to revising this statement, although it is possible that all of the existing priority gaps in chemical intelligence are related to deficiencies of collection rather than to research deficiencies.

b. Collection Deficiencies

In September 1960, a Subcommittee statement was published on "Priority Collection Deficiencies on the Chemical and Related Industries of the USSR." During FY 1962 the Subcommittee plans to consider the feasibility of preparing a similar statement on Communist China.

The Subcommittee has given consideration to the possible use of the CIA "Collection Guides," "Gaps in Information" and "Statements of Information Needs" as bases for the preparation of Subcommittee statements of Priority Collection Deficiencies. The conclusion reached was that at present only in the cases of the USSR and Communist China were these statements suitable for such use and even in these cases considerable modification would be necessary in order to limit the statements to items of priority and to incorporate items of interest to other agencies and departments.

3. Other Functions of the Subcommittee

During FY 1961 no substantive papers or proposals for external research were reviewed by the Subcommittee. No discussions were held on intelligence research techniques and no EIC projects were undertaken. The Subcommittee long ago dispensed with the formality of coordinating basic statistics because there has been virtually no duplication of effort among the various agencies in the production of such data.

4. Special Coordination Functions of the Subcommittee

The only special coordination function performed by the Subcommittee during the year was in connection with the East-West exchange program. After consideration at the levels of the SC and the Scientific Intelligence Committee, the SC formally recommended to the USIB Committee on Exchanges that the latter give consideration at the earliest opportunity to including in the Exchange Agreement with the USSR a proposal for an exchange in the field of insecticides, with emphasis on organophosphorus types.

5. Evaluation of the Role of the Subcommittee

The Subcommittee on Chemicals, although it has not been very active, continues to serve a number of useful purposes. It provides the mechanism for rapidly coordinating evaluations and reports as requested by the EIC or other interagency committees as well as for precluding duplication of effort

in the various phases of the intelligence process. It also functions as a medium for the exchange of important new intelligence information and for the discussion of ways and means to improve the state of chemical intelligence.

In at least one respect, however, the Subcommittee probably could be made a more useful body. At present, the coordination of chemical intelligence among the USIB agencies is sporadic at best and not infrequently a report is published which could have been substantively improved by coordination. The question of using the Subcommittee as a medium for the coordination of at least some types of chemical intelligence production is to be discussed at the next meeting on 2 August.

B. Future Program of the Subcommittee

In fiscal year 1962 the Subcommittee plans to continue its efforts to initiate exchanges of chemical delegations with the USSR as a possible means of obtaining information relating to chemical intelligence objectives of high priority. Other activities planned for the coming year include, possibly, revision of the statement of Priority Deficiencies of Research, preparation of statement of Priority Collection Deficiencies on Communist China, and initiation of Subcommittee coordination of intelligence reports. Some thought will also be given to the feasibility of Subcommittee production of intelligence reports.

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Chairman, EIC Subcommittee on Chemicals